

Oklahoma State Department of Health · Reducing Preventable Hospitalizations and Emergency Department Visits for the Uninsured

Request at a Glance

Request Amount: \$9 million

Project Type: Pay for Performance

Project Stakeholders: Hospitals, local healthcare providers, FQHCs, mental health centers, tribal health facilities and local public health departments

Expected Outcomes: Reduced hospitalizations and ER visits

- Preventable in-patient hospital stays and emergency department visits are contributing factors to increasing healthcare costs
- A 30% reduction in chronic disease associated, preventable hospitalizations would save the Oklahoma healthcare system more than \$54 million in a single year
- According to the Robert Wood Johnson Foundation, 50% - 76% of ER visits are not emergencies and are avoidable
- Each unnecessary ER visit costs the system more than \$580
- Oklahoma's uninsured rate is 17% leading to uncompensated care costs of \$2.4 billion in 2013. The majority of these costs are attributed to hospital care
- Payment models that encourage more efficient healthcare delivery and reward improved health outcomes are necessary to change the healthcare business model
- This initiative would provide payment incentives for the achievement of outcomes after implementing voluntary, community-based emergency room diversion techniques and systems of care that prevent the need for acute care delivery through hospitals
- Payments will be based on achieving outcomes including reduced preventable hospitalizations and emergency room visits



Oklahoma State
Department of Health

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